

# **NEW ORLEANS JAZZ ORCHESTRA, INC.**

**FINANCIAL STATEMENTS**  
**FYE June 30, 2012**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date **APR 03 2013**

CERTIFIED PUBLIC ACCOUNTANTS  
**DEMONTE & FALGOUST, LLC**

DAVID T. DEMONTE, CPA  
JOHN R. FALGOUST, JR., CPA

MEMBER FIRM:  
NATIONAL CONFERENCE OF  
CPA PRACTITIONERS  
SOCIETY OF LOUISIANA  
CERTIFIED PUBLIC ACCOUNTANTS

To the Board of Directors  
New Orleans Jazz Orchestra, Inc.  
New Orleans, Louisiana

Gentlemen:

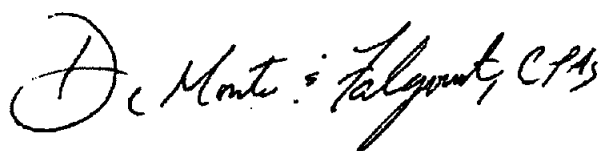
We have compiled the accompanying statement of financial position for the New Orleans Jazz Orchestra, Inc., a Non-Profit Organization, as of June 30, 2012 and 2011, and the related statement of activities for the one and twelve-month periods then ended. We have also compiled the statement of cash flows for the one and twelve-month periods ended June 2012. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with accounting principles generally accepted in the United States of America.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the income tax basis of accounting and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements. During our compilation, we did become aware of a departure from accounting principles generally accepted in the United States of America that is described in the following paragraph.

Management has elected to omit substantially all of the disclosures ordinarily included in financial statements prepared in accordance with the income tax basis of accounting. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Company's assets, liabilities, capital, revenues and expenses. Accordingly, these financial statements are not designed for those who are not informed about such matters.

The accompanying financial statements have been prepared solely from the accounts of the New Orleans Jazz Orchestra, Inc. The entity is a non-profit; therefore, no provision for such taxes is included in these statements.



August 1, 2012

# NEW ORLEANS JAZZ ORCHESTRA

## STATEMENTS OF FINANCIAL POSITION - INCOME TAX BASIS JUNE 30, 2012 and 2011

### ASSETS

	Current Year	Last Year
<b>CURRENT ASSETS</b>		
<b>CASH</b>		
Cash/Operating Acct.	\$ 26,232.91	\$ 2,495.77
Cash/Payroll Acct.	3,389.12	(21,844.23)
<b>TOTAL CASH</b>	<u>29,622.03</u>	<u>(19,348.46)</u>
 <b>TOTAL CURRENT ASSETS</b>	 <u>29,622.03</u>	 <u>(19,348.46)</u>
 <b>FIXED ASSETS</b>		
Computers	18,998.02	18,998.02
Furniture & Fixtures	54,892.05	53,743.05
Software	2,075.00	2,075.00
Website	11,200.00	11,200.00
<b>TOTAL FIXED ASSETS</b>	<u>87,165.07</u>	<u>86,016.07</u>
Less Allowance for Depreciation	<u>(75,149.96)</u>	<u>(68,048.96)</u>
<b>NET FIXED ASSETS</b>	<u>12,015.11</u>	<u>17,967.11</u>
 <b>TOTAL ASSETS</b>	 <u>\$ 41,637.14</u>	 <u>\$ (1,381.35)</u>

# NEW ORLEANS JAZZ ORCHESTRA

## STATEMENTS OF FINANCIAL POSITION - INCOME TAX BASIS

JUNE 30, 2012 and 2011

### LIABILITIES

	Current Year	Last Year
<b>CURRENT LIABILITIES</b>		
Accounts Payable	\$ 19,702.47	\$ 91,079.39
Capital One Line of Credit	0.00	4,311.36
Note Payable/Regions	248,762.58	249,662.27
Loan Payable/Goldring	75,000.00	75,000.00
Loan Payable/Mayfield	6,200.00	43,125.00
Loan Payable/Poorman	75,000.00	75,000.00
Loan Payable/Boh	75,000.00	75,000.00
FICA/Medicare Tax W/Held	1,462.18	1,462.18
<b>TOTAL CURRENT LIABILITIES</b>	<u>501,127.23</u>	<u>614,640.20</u>
<b>FUND BALANCE</b>		
Fund Balance	(459,490.09)	(616,021.55)
<b>TOTAL FUND BALANCE</b>	<u>(459,490.09)</u>	<u>(616,021.55)</u>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<u>\$ 41,637.14</u>	<u>\$ (1,381.35)</u>

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New Orleans Jazz Orchestra

STATEMENT OF SUPPORT, REVENUE AND EXPENSES - INCOME TAX BASIS  
FOR THE ONE AND TWELVE MONTHS ENDED JUNE 30, 2012 AND 2011

	CURRENT AMOUNT	MO. PCT.	YEAR TO AMOUNT	DATE PCT.	THIS MO LAST YR	YEAR TO AMOUNT
<b>SUPPORT AND REVENUE</b>						
Board Contributions	\$ 0.00	0.0%	0.00	0.0%	0.00	\$ 85,000.00
Foundations	325,000.00	206.8	824,255.00	68.9	0.00	46,600.00
Corporations	(173,851.44)	(110.6)	84,958.56	7.1	50,000.00	93,573.50
Touring Fees	0.00	0.0	107,310.00	9.0	44,255.00	207,470.27
Individuals	3,555.00	2.3	51,520.00	4.3	0.00	181,338.13
Public Support	0.00	0.0	47,028.08	3.9	(41,750.00)	12,860.00
Other Revenue	0.00	0.0	433.00	0.0	0.00	456.00
Local Concert Series	0.00	0.0	9,007.06	0.8	0.00	25,148.31
Special Events	(25,000.00)	(15.9)	38,964.95	3.3	0.00	24,195.43
Merchandising	417.00	0.3	5,541.40	0.5	0.00	6,340.70
Merchandising/T-Shirts	0.00	0.0	0.00	0.0	0.00	80.00
Non Cash & In-Kind Donations	27,000.00	17.2	27,000.00	2.3	3,150.00	37,800.00
<b>TOTAL SUPPORT AND REVENUE</b>	<b>157,120.56</b>	<b>100.0</b>	<b>1,196,018.0</b>	<b>100.0</b>	<b>55,655.00</b>	<b>720,862.34</b>
<b>CONCERT AND TOUR EXPENSES</b>						
Contract Labor/Tour	8,802.66	5.6	117,831.28	9.9	0.00	27,453.65
Equipment Rent & Maint/Tour	0.00	0.0	274.90	0.0	0.00	0.00
Marketing & Other/Tour	0.00	0.0	820.64	0.1	0.00	0.00
Per Diem/Lodging	4,567.57	2.9	17,568.22	1.5	0.00	13,865.04
Printing	1,289.29	0.8	5,518.89	0.5	0.00	43.45
Airfare	0.00	0.0	2,417.36	0.2	0.00	55,585.00
Contract Labor/Local	14,942.86	9.5	107,482.12	9.0	0.00	17,505.00
Sheet/Recorded Music Purchases	100.00	0.1	121.76	0.0	0.00	0.00
Equipment Rent & Maint/Local	507.97	0.3	5,914.01	0.5	226.97	344.69
Catering & Meals/Local	0.00	0.0	38.47	0.0	0.00	0.00
Marketing/Local	2,493.84	1.6	3,957.84	0.3	0.00	0.00
Printing-Reproduction-Photography/Local	0.00	0.0	721.15	0.1	0.00	231.09
Rent/Local	0.00	0.0	1,750.00	0.1	0.00	0.00
Travel/Local	0.00	0.0	1,434.54	0.1	0.00	6,499.66
Merchandising	0.00	0.0	2,304.00	0.2	0.00	1,109.12
Special Events	860.18	0.5	85,784.12	7.2	0.00	103,370.06
CD Recording Expense	0.00	0.0	300.00	0.0	0.00	2,623.40
Equipment Rent & Maint/Spec Events	0.00	0.0	0.00	0.0	0.00	4,933.37
Catering & Meals/Special Events	0.00	0.0	0.00	0.0	0.00	1,441.98
Per Diem/Special Events	0.00	0.0	0.00	0.0	0.00	135.00
Printing & Reproduction/Spec Events	0.00	0.0	249.07	0.0	0.00	1,419.85
Rent/Special Events	0.00	0.0	0.00	0.0	0.00	1,669.25
Travel/Special Events	188.60	0.1	27,641.24	2.3	0.00	6,587.48
Wisner Grant/Sculpture Pk	0.00	0.0	0.00	0.0	7.32	7.32
Summer Music Camp/Prodigy	27,515.98	17.5	27,515.98	2.3	0.00	0.00
<b>TOTAL CONCERT/TOUR EXPENSES</b>	<b>61,268.95</b>	<b>39.0</b>	<b>409,645.59</b>	<b>34.3</b>	<b>234.29</b>	<b>244,824.41</b>
<b>GENERAL &amp; ADMINISTRATIVE EXPENSES</b>						
Officer Compensation	0.00	0.0	0.00	0.0	8,333.33	99,999.96
Salaries & Wages	21,625.00	13.8	214,083.32	17.9	8,916.66	132,083.23
Payroll Taxes	1,554.05	1.0	16,277.16	1.4	1,319.63	19,009.85
Contract Labor	17,273.59	11.0	211,684.03	17.7	15,741.66	196,771.87
Employee Insurance	0.00	0.0	0.00	0.0	1,656.67	0.00
Accounting Fees	3,204.33	2.0	27,112.45	2.3	6,275.50	21,392.35
Bank Charges	68.94	0.0	910.85	0.1	292.37	2,967.99
Computer Purchase/Maint	0.00	0.0	31.54	0.0	0.00	0.00
Depreciation	(1,757.63)	(1.1)	7,101.00	0.6	805.33	9,663.96
Dues & Subscriptions	(188.60)	(0.1)	385.00	0.0	0.00	150.00
Copy Machine Lease	683.61	0.4	3,440.68	0.3	2,578.36	4,994.51
Insurance	25.00	0.0	8,372.00	0.7	0.00	5,831.00
Development Consultant Fees	30.00	0.0	13,470.32	1.1	0.00	600.00
Marketing	3,648.56	2.3	566.00	0.0	3,648.56	6,148.56
Meals & Entertainment	729.82	0.5	8,164.85	0.7	233.36	3,524.37
Officer Expense Reimbursements	0.00	0.0	0.00	0.0	(198.76)	0.00
Parking	32.00	0.0	514.35	0.0	0.00	420.00
Payroll Processing	127.00	0.1	1,688.13	0.1	444.63	3,672.25
Postage & Shipping	391.05	0.2	1,619.17	0.1	0.00	1,187.52
Print Ads/Creative Designs	250.00	0.2	11,774.22	1.0	450.00	7,699.25
Office Supplies/Expense	594.53	0.4	20,457.79	1.7	130.00	5,216.21
Rent Expense	27,933.33	17.8	29,799.99	2.5	3,000.00	36,000.00
Telephone Expense	217.94	0.1	12,455.14	1.0	1,721.89	16,618.53
Travel Expense	3,410.72	2.2	23,288.92	1.9	75.68	3,100.78
Taxes & Licenses	8,064.88	5.1	794.64	0.1	8,064.88	8,064.88
Website Support/Maintenance	0.00	0.0	1,406.25	0.1	1,147.50	1,769.20
Security	0.00	0.0	0.00	0.0	0.00	210.00
Contributions	0.00	0.0	1,513.00	0.1	0.00	250.00
Fundraising Software	0.00	0.0	1,957.00	0.2	0.00	0.00
Fundraising Database	0.00	0.0	614.76	0.1	0.00	0.00
Interest Expense	3,889.14	2.5	10,358.44	0.9	1,641.21	13,412.86
Interest Income	0.00	0.0	0.00	0.0	(1,129.05)	0.00
<b>TOTAL GEN/ADMIN EXPENSE</b>	<b>91,807.26</b>	<b>58.4</b>	<b>629,841.00</b>	<b>52.7</b>	<b>65,149.41</b>	<b>600,759.13</b>

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STATEMENT OF SUPPORT, REVENUE AND EXPENSES - INCOME TAX BASIS  
FOR THE ONE AND TWELVE MONTHS ENDED JUNE 30, 2012 AND 2011

	CURRENT AMOUNT	MO. PCT.	YEAR TO AMOUNT	DATE PCT.	THIS MO LAST YR	YEAR TO AMOUNT
TOTAL EXPENSES	<u>153,076.21</u>	<u>97.4</u>	<u>1,039,486.5</u>	<u>86.9</u>	<u>65,383.70</u>	<u>845,583.54</u>
NET INC/(DEC) IN FUND BALANCE	\$ <u>4,044.35</u>	<u>2.6</u>	\$ <u>156,531.46</u>	<u>13.1</u>	\$ <u>(9,728.70)</u>	<u>(124,721.20)</u>

NEW ORLEANS JAZZ ORCHESTRA

STATEMENT OF CASH FLOWS  
FOR THE ONE AND TWELVE MONTHS ENDED JUNE 30, 2012

	Current Period	Year to Date
<b>CASH FLOWS FROM(FOR) OPERATING ACTIVITIES:</b>		
Net income(loss)	\$ 4,044.35	\$ 156,531.46
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	(1,757.63)	7,101.00
Change in current assets and liabilities:		
Increase/(decrease) in accts payable	5,740.29	(71,376.92)
Total adjustments	3,982.66	(64,275.92)
Net cash from (for) operating activities	8,027.01	92,255.54
Equipment purchases	(1,149.00)	(1,149.00)
investing activities	(1,149.00)	(1,149.00)
<b>CASH FLOWS FROM(FOR) FINANCING ACTIVITIES:</b>		
Loan Proceeds	0.00	3,125.00
Loan Repayments	(6,145.01)	(46,953.13)
Net cash from(for) financing activities	(6,145.01)	(43,828.13)
<b>NET INC/(DEC) IN CASH AND CASH EQUIVALENTS</b>	733.00	47,278.41
Cash and cash equivalents at beginning of period	27,196.95	(19,348.46)
Cash and cash equivalents at end of period	\$ 27,929.95	\$ 27,929.95

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